

AMENDED IN SENATE JULY 10, 2007

AMENDED IN ASSEMBLY APRIL 30, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 231

Introduced by Assembly Member Eng
(Coauthor: Senator Kehoe)

January 30, 2007

An act to amend Section 41016 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 231, as amended, Eng. Emergency Telephone Users Surcharge Act.

The Emergency Telephone Users Surcharge Act requires any person supplying intrastate telephone communication services, as specified, in the state to collect a surcharge imposed on amounts paid by every person in the state for intrastate telephone communication service including “toll telephone service,” as defined. It requires the Department of General Services to annually determine a surcharge rate that it estimates will produce sufficient revenue to fund the current fiscal year’s costs, but prohibits the surcharge rate in any year to be greater than $\frac{3}{4}$ of 1% nor less than $\frac{1}{2}$ of 1%. It establishes the State Emergency Telephone Number Account into which the payments made pursuant to the act are deposited. It requires, upon appropriation, funds in the account to pay, among other things, bills submitted to the department by service suppliers or communications equipment companies for the installation of, and ongoing expenses for, specified communications services.

This bill would specify that a “toll telephone service” would include a telephonic quality communication ~~for which there is a toll charge that varies in amount with the distance or elapsed transmission time, or both, of each individual communication, and the charge is paid within the United States. This bill also would provide that “toll telephone service” includes, but is not limited to, bundled service that does not separately state the periodic charges for local and long distance telephonic quality communication and prepaid calling cards as specified, or a service that entitles the subscriber to the privilege of a predetermined amount of units or dollars of telephonic communications or an unlimited number of telephonic communications, as specified.~~ This bill would also make technical, nonsubstantive changes to this provision.

This bill would become operative only if SB 1024 of the 2007–08 Regular Session is enacted and becomes operative.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41016 of the Revenue and Taxation Code
2 is amended to read:
3 41016. “Toll telephone service” shall mean:
4 (a) A telephonic quality communication for which (1) there is
5 a toll charge that varies in amount with either the distance or
6 elapsed transmission time, or both the distance and elapsed
7 transmission time, of each individual communication and (2) the
8 charge is paid within the United States.
9 (b) A service that entitles the subscriber, upon payment of a
10 periodic charge (determined as a flat amount or upon the basis of
11 total elapsed transmission time), to the privilege of ~~an unlimited~~
12 ~~number of telephonic communications to or from all or a substantial~~
13 ~~portion of the persons having telephone or radiotelephone stations~~
14 ~~in a specified area that is outside the local telephone system area~~
15 ~~in which the station provided with this service is located. a~~
16 *predetermined amount of units or dollars of telephonic*
17 *communications or an unlimited number of telephonic*
18 *communications.*

1 *SEC. 2. This act shall become operative only if Senate Bill*
2 *1024 of the 2007–08 Regular Session is enacted and becomes*
3 *operative.*

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